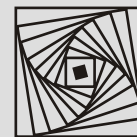




www.compuageindia.com

BOOK POST

COMPUAGE INFOCOM LTD.



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COMPUAGE INFOCOM LTD.
3. Dhuru Building, 1st Floor, 329,
Vithalbhai Patel Road, Mumbai - 400 004.
Tel : 2384 22 00/01/02/03/6588 1352 Fax : 2384 2210
E-mail : info@compuageindia.com

12th Annual Report

2010-11



COMPUAGE INFOCOM LTD.

COMPUAGE INFOCOM LTD.

Twelvth Annual Report 2010-11

Board of Directors

Atul H. Mehta
Bhavesh H. Mehta
G.S. Ganesh
Vijay Agarwal
Preeti Trivedi

Registered Office

3, Dhuru Building, 1st Floor,
329, Vithal Bhai Patel Road, Mumbai-400 004.

Registrar & Share Transfer Agents

LINKINTIME INDIA PRIVATE LIMITED
C-13, Pannalal Silk Mills Compound,
L.B.S.Marg, Bhandup (West), Mumbai- 400 078.

Auditors

M/s. B.V. Dalal & Co.
Chartered Accountants

Branches

Ahmedabad, Agra, Aurangabad, Amritsar, Bangalore, Baroda, Bhubneshwar, Bhopal, Chandigarh, Chennai, Coimbatore, Cochin, Calicut, Dehradun, Delhi, Ghaziabad, Goa, Guwahati, Guragaon, Gorakhpur, Hyderabad, Hubli, Haldwani, Indore, Jaipur, Jammu, Jabalpur, Jodhpur, Kolkatta, Kottayam, Karnal, Lucknow, Ludhiana, Mumbai, Mangalore, Madurai, Nagpur, Nasik, Parwanoo, Patna, Pondicherry, Pune, Raipur, Rajkot, Ranchi, Siliguri, Surat, Trivendrum, Vizag, Vijayawada, Varansi.

Bankers

1. Bombay Mercantile Co-op. Bank Ltd.
2. HDFC Bank Ltd.
3. Indian Overseas Bank
4. Standard Chartered Bank
5. ICICI Bank Limited
6. Barclays Bank
7. Indian Bank
8. Kotak Mahindra Bank
9. Central Bank of India
10. ING Vysya Bank

COMPUAGE INFOCOM LIMITED

3, Dhuru Building, 1st Floor, 329 Vithalbhai Patel Road, Mumbai - 400004.

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

Full Name of the Member attending (in block letters) _____

Full Name of the First joint holder _____

(To be filled-in if first named joint holder does not attend the meeting)

Name of the proxy _____

(To be filled-in if the proxy form has been duly deposited with the Company)

I hereby record my presence at the Twelveth Annual General Meeting of the Company held on Friday, 29th July, 2011 at 10.00 a.m at Victoria Memorial School for Blind, Tardeo Road, Opp. Film Centre, Mumbai- 400 034.

Regd. Folio No. _____

OR

Member's/ Proxy Signature

DP ID/ CLIENT ID : _____

No. of Shares held : _____ (to be signed at the time of handing over of this slip)

COMPUAGE INFOCOM LIMITED

3, Dhuru Building, 1st Floor, 329 Vithalbhai Patel Road, Mumbai - 400004.

PROXY FORM

I/We _____

of _____ in the district of _____

_____ being a Member (s) of the above named Company, hereby appoint Mr./Ms. _____

of _____ in the district of _____

or failing him/ her Mr./Ms _____

of _____ in the district of _____

as my/ our Proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Friday, 29th July, 2011 at 10.00 a.m at Victoria Memorial School For Blind Tardeo Road, Opp. Film Centre, Mumbai-400 034. and at any adjournment thereof.

Signed this _____ day of _____ 2011.

Regd. Folio No. : _____

OR

DP ID/ CLIENT ID: _____

No. of Shares held _____

Affix
Re. 1.00
Revenue
Stamp

Signature

Note: The Proxy form duly completed must be deposited at the Registered Office of the Company not less than 48hrs. before the time of holding of the meeting.



COMPUAGE INFOCOM LTD.

NOTICE IS HEREBY GIVEN THAT THE 12TH ANNUAL GENERAL MEETING OF THE MEMBERS OF COMPUAGE INFOCOM LIMITED WILL BE HELD ON 29TH JULY, 2011 AT 10.00 A.M AT VICTORIA MEMORIAL SCHOOL FOR BLIND, TARDEO ROAD, OPP. FILM CENTRE, MUMBAI - 400 034 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2011 and the Balance Sheet as on that date and the Reports of the Directors and the Auditors thereon.
2. To declare Dividend on the Equity Shares of the Company.
3. To appoint a Director in place of Ms. Preeti Trivedi who retires by rotation and being eligible, offers herself for re-appointment.
4. To appoint M/s. B. V. Dalal & Co Chartered Accountants as Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and authorize Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT, pursuant to provisions of section 198, 269 and 309 read with schedule XIII and all other applicable provisions, if any, of the companies Act, 1956, and subject to such approvals, as may be necessary, the company hereby accords its consent and approval to the re- appointment of Mr. Atul Mehta, as Managing Director of the company, for a period of 3 years with effect from 8th September, 2011 to 7th September, 2014 on terms and conditions and the remuneration/emoluments (including the remuneration to be paid in the event of loss or inadequacy of profit in any financial year during the aforesaid period) as mentioned in the Explanatory Statement under this Item."

"RESOLVED FURTHER THAT in the event of any statutory amendments, modification or relaxation by the central government to Schedules XIII to the Companies Act, 1956, the Board of Directors of the company (hereinafter referred to as 'Board' which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including powers conferred by the resolution) be and is hereby authorized to vary and /or increase the remuneration including salary, commission, perquisites, allowances etc. within such prescribed limit(s) or ceiling and the agreement between the company and Mr. Atul Mehta, Managing Director of the Company, be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in General Meeting."

"RESOLVED FURTHER THAT Mr. Vijay Agrawal, director of the company, or in his absence, any other independent director on the compensation committee of the Board, be and is hereby authorized, from time to time, to execute, on behalf of the company, any agreement(s) with the said Managing Director, containing the above and such other terms and conditions, as may be necessary pursuant to this resolution.



COMPUAGE INFOCOM LTD.

6. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT, pursuant to provisions of section 198, 269 and 309 read with schedule XIII and all other applicable provisions, if any, of the companies Act, 1956, and subject to such approvals, as may be necessary, the company hereby accords its consent and approval to the re- appointment of Mr. Bhavesh Mehta, as Whole time Director of the company, for a period of 3 years with effect from 18th October, 2011 to 17th October, 2014, on terms and conditions and the remuneration/emoluments (including the remuneration to be paid in the event of loss or inadequacy of profit in any financial year during the aforesaid period) as mentioned in the Explanatory Statement under this Item."

"RESOLVED FURTHER THAT in the event of any statutory amendments, modification or relaxation by the central government to Schedules XIII to the Companies Act, 1956, the Board of Directors of the company (hereinafter referred to as 'Board' which term shall be deemed to include any Committee which the Board may constitute to exercise its powers, including powers conferred by the resolution) be and is hereby authorized to vary and /or increase the remuneration including salary, commission, perquisites, allowances etc. within such prescribed limit (s) or ceiling and the agreement between the company and Mr. Bhavesh Mehta, Whole time Director of the Company, be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in General Meeting."

"RESOLVED FURTHER THAT Mr. Vijay Agrawal, director of the company, or in his absence, any other independent director on the compensation committee of the Board, be and is hereby authorized, from time to time, to execute, on behalf of the company, any agreement (s) with the said Whole time Director, containing the above and such other terms and conditions, as may be necessary pursuant to this resolution.

7. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 31 of the Companies Act, 1956 and other applicable provisions, if any of the Companies Act, 1956 (including the Statutory modification and re- enactment thereof from time being in force) the existing clause 114(b) of the Articles of Association of the Company be and is hereby altered and substituted by the following New clause 114 (b).

Old Clause 114(b).

The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board or one of its Committees and unless the Board otherwise determines every deed or other instruments to which the Seal is required to be affixed shall unless the same is executed by a duly constituted attorney for the Company, be signed by two directors at least in whose presence the Seal shall have been affixed, provided nevertheless that any instruments bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity in the affixture thereof.



New clause 114 (b).

The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board unless the Board otherwise determines every deed or other instruments to which the Seal is required to be affixed shall unless the same is executed by a duly constituted attorney for the Company, be signed by any one director of the company and Company Secretary or any person authorized by the Board at least in whose presence the Seal shall have been affixed, provided nevertheless that any instruments bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity in the affixture thereof.

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and hereby authorized to take all the necessary steps and action and give such directions as may be its absolute discretion deem necessary and settle any question that may arise in this regard.

8. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 31 of the Companies Act, 1956 and other applicable provisions, if any of the Companies Act, 1956, (including the statutory modification and re-enactment thereof from time being in force), the Articles of Association of the company be altered by adding a additional clause No. 63 as reproduces below under the Head General Meeting and accordingly change the Numbering of the clauses in the Articles of Association of the Company.

Additional clause 63.

The Notice(s) calling the general meeting, Balance Sheet, Profit & Loss Account, Directors' report, Auditors' report and Explanatory Statement etc of the Company shall be send to the Shareholders of the Company through an Electronic/Physical Mode or any other Mean.

By Order of the Board of Directors
For Compuage Infocom Limited

Atul H.Mehta
Chairman & Managing Director

Place : Mumbai
Date : 10th June, 2011

Registered Office:
3, Dhuru Building,
329, Vithalbhair Patel Road,
Mumbai- 400 004.



NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
 - A proxy form duly completed and stamped, must reach the registered office of the company not less than 48 hours before Commencement of the Meeting.
 - The register of members and the share transfer books of the company will remain closed from 27th July, 2011 to 29th July, 2011 (both days inclusive) for the purpose of payment of dividend, if any, approved by the Members.
 - The Dividend for the year ended 31st March, 2011 as recommended by the Board, if approved at the Meeting will be paid within the prescribed time limit to those members whose names appear in the Company's Register of Members on 29th July, 2011. In Respect of Shares in electronic form, the dividend will be payable on the basis of beneficial ownership as per the details furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.
 - The relative Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 relating to Special Business to be transacted at the Meeting is annexed hereto.
 - Corporate Members intending to send their authorized representative to attend the Meeting are requested to send a duly certified copy of their Board Resolution authorizing their representative to attend and vote at the said meeting.
 - Members/Proxies/Representatives are requested to bring the enclosed Attendance Slip, duly filled in, for attending the Meeting.
 - Members are requested to send the advice about change in address/any other details to the Company's Registrar and Transfer Agent, Link Intime India Private Limited in respect of Equity Shares held in physical form and to their respective Depository Participants in respect of equity shares held in dematerialized form.
- LINK INTIME INDIA PRIVATE LIMITED,**
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West),
Mumbai-400 078.
- Pursuant to the provision of section 205A and 205C of the Companies Act, 1956, the dividend which remains Unclaimed / Unpaid for a period of seven years from the date of transfer to the respective unpaid dividend accounts, is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government.
 - Disclosure pursuant to Clause 49 of the Listing Agreement with respect to the Directors seeking re-appointment at the forthcoming Annual General Meeting is attached hereto.



COMPUAGE INFOCOM LTD.

INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT:

As required under the Listing Agreement, the particular of the Directors who is proposed to be re-appointed is furnished below:

i) Item No. 3 of the Notice:

Name : Ms. Preeti Trivedi
Age : 52 years
Qualification : B. com & FCA
Date of appointment : 29.10.2009

ii) Item No. 5 of the Notice:

Name : Mr. Atul Mehta
Age : 50 years
Qualification : B.Com & MBA
Date of appointment : 27.07.1999

iii) Item No.6 of the Notice:

Name : Mr. Bhavesh Mehta
Age : 38 years
Qualification : M.Com with specialization in Marketing
Expertise : Specialized in Import and Logistics
Date of appointment: : 18.10.2000



COMPUAGE INFOCOM LTD.

EXPALANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 5

At the Annual General Meeting held on 23rd August, 2008 the members of the company had approved the appointment of Mr. Atul Mehta as Managing Director of the Company for a period of 3 years from 8th September, 2008 to 7th September, 2011, on the terms and condition stated under the relative resolution placed at the said Annual General Meeting.

Mr. Atul Mehta has done MBA in finance from USA and he is in the Trading business since 1987 and under his leadership the Company has made excellent progress in the Electronics Trading business. Under his Leadership the Company is having 51 branches all over India and also the Company intends to open additional branches during the year to come. The Compensation Committee of the Board of Directors and the Board, at their meetings, held on 10th June, 2011 had, subject to confirmation by the members at this Annual General Meeting decided to re- appoint Mr.Atul Mehta in view of his excellent performance, as Managing Director, of the Company, for a period of 3 years from 8th September, 2011 to 7th September, 2014 on the terms and conditions including the remuneration/emoluments, mentioned below. The Members are requested to approve the resolution herein for the appointment of Mr. Atul Mehta, as Managing Director.

The terms of the Agreement with Mr.Atul Mehta, the Managing Director, include the following:

EMOLUMENTS

A BASIC SALARY

The basic salary shall be Rs.1, 38, 00, 000 p.a (Rupees One Crore Thirty Eight Lakhs Only.)

B COMMISSION:

The percentage will be decided by the Compensation Committee of the Board of Directors on a year-to -year basis, based on the individual performance of the said Managing Director, the overall performance of the Company and accordingly the Commission payable to the said Director shall be provided for in the accounts.

Provided further that Commission shall be payable, on an annual basis but only after the Company's Annual Accounts and Balance Sheet under Section 210 of the Companies Act, 1956 are placed before the Company's Annual General Meeting and approved by the members thereat, subject further, to the said Managing Director continuing to be in employment of the Company at the time of payment of the said Commission.



C PERQUISITES

CATEGORY I

Perquisites of Rs.6,00,000 (Rupees Six Lakhs Only) includes House rent allowance, General allowance, club fees, Group personal accident insurance, group mediclaim and Group term insurance

This component will not be included as a basic salary, for the purpose of Provident Fund, Gratuity or any other purpose.

CATEGORY II

- a) Provident Fund: Company's contribution to Provident Fund as per Rules of the Company.
- b) Gratuity: Payable in accordance with the Rules of the Company but not exceeding half month's basic salary for each completed year of service. Performance Incentive will not be added to the basic salary for the purpose of provident fund, gratuity, medical or commission and other perquisites.
- c) For Provident Fund, Gratuity or any other benefit, there is ceiling limit for Basic and these benefits will be payable as per limits prescribed as per rules of the Company for above benefits from time to time.
- d) Car(s) and telephone(s) will be provided at residence for official use. However, provision of these facilities will be subject to tax as per prevailing Income Tax rules. The Company shall bill Personal long distance calls on telephone to the said Managing Director.
- e) The contribution to Provident Fund will not be included as perquisites to the extent these are not taxable under the Income Tax Act, 1961.
- f) Leave: As per the rules of the Company, but not exceeding 21 working days per year. Unutilised leave can be carried forward and then encashed equivalent to Basic salary and as per rules of the Company in force from time to time.
- g) All Emoluments and Perquisites will be taxable as per the provisions of the Income Tax Act, 1961.
- h) Stock Options: The Managing Director will be granted stock options at sole discretion of the Company under the ESOP in quantities as determined by the Compensation Committee of the Board based upon the said Managing Director's performance and the performance of the Company from time to time.



Notwithstanding anything contained hereinabove, wherein any financial year during the currency of this Agreement, the Company has no profits or inadequate profits, the remuneration payable to the Managing Director as basic salary, perquisites and any other allowances shall be governed and be subject to ceilings provided under Section II of Part II (A) of Schedule XIII to the Companies Act, 1956.

The said Director shall report to the Board of Directors of the Company who shall empower him with such requisite powers (with authority to revoke and/or amend such powers) to enable the said Director to discharge his duties with full responsibility or the area of operations under his control. The said Director shall work under the superintendence, control and direction of the Board of Directors of the Company.

A copy of the aforesaid Agreement referred to in the Resolution at Item No.5 of the accompanying Notice, is available for inspection by any member of the Company at the Registered Office of the Company on any working day before the ensuing Annual General Meeting.

The Explanatory Statement together with the accompanying notice should be treated as an abstract of the terms of the Agreement and memorandum of concern or interest under Section 302 of the Companies Act, 1956.

The Directors commend the Resolution for the approval of the members.

None of the Directors except Mr. Atul Mehta and Mr. Bhavesh Mehta is interested or concerned in the said Resolution.

Item No. 6

At the Annual General Meeting held on 23rd August, 2008 the members of the company had approved the appointment of Mr. Bhavesh Mehta as Director of the Company for a period of 3 years from 18th October, 2008 to 17th October, 2011, on the terms and condition stated under the relative resolution placed at the said Annual General Meeting.

Mr. Bhavesh Mehta has done M.com with specialization in Marketing and Expertise in Import and Logistics and he is in the business since 1994 and under his leadership the Company has made excellent progress in the Electronics Trading business. Under his Leadership the Company is having 51 branches all over India and also the Company intends to open additional branches during the year to come. The Compensation Committee of the Board of Directors and the Board, at their meetings, held on 9th June, 2011 had, subject to confirmation by the members at this Annual General Meeting decided to re- appoint Mr. Bhavesh Mehta in view of his excellent performance, as Whole time Director, of the Company, for a period of 3 years from 18th October, 2011 to 17th October, 2014 on the terms and conditions including the remuneration/emoluments, mentioned below. The Members are requested to approve the resolution herein for the appointment of Mr. Bhavesh Mehta, as Whole time Director.



COMPUGATE INFOCOM LTD.

The terms of the Agreement with Mr. Bhavesh Mehta, the Whole time Director, include the following:

EMOLUMENTS

A BASIC SALARY

The basic salary shall be Rs.1, 14, 00, 000 p.a (Rupees One Crore Fourteen Lakhs Only)

B COMMISSION:

The percentage as decided by the Compensation Committee of the Board of Directors on a year-to-year basis, based on the individual performance of the said Whole time Director, the overall performance of the Company and accordingly the Commission payable to the said Director shall be provided for in the accounts.

Provided further that Commission shall be payable, on an annual basis but only after the Company's Annual Accounts and Balance Sheet under Section 210 of the Companies Act, 1956 are placed before the Company's Annual General Meeting and approved by the members thereat, subject further, to the said Whole time Director continuing to be in employment of the Company at the time of payment of the said Commission.

C PERQUISITES

CATEGORY I

Perquisites of Rs.6,00,000 (Rupees Six Lakhs Only) includes House rent allowance, General allowance, club fees, Group personal accident insurance, group mediclaim and Group term insurance

This component will not be included as a basic salary, for the purpose of Provident Fund, Gratuity or any other purpose.

CATEGORY II

- Provident Fund: Company's contribution to Provident Fund as per Rules of the Company.
- Gratuity: Payable in accordance with the Rules of the Company but not exceeding half month's basic salary for each completed year of service. Performance Incentive will not be added to the basic salary for the purpose of provident fund, gratuity, medical or commission and other perquisites.
- For Provident Fund, Gratuity or any other benefit, there is ceiling limit for



COMPUGATE INFOCOM LTD.

Basic and these benefits will be payable as per limits prescribed as per rules of the Company for above benefits from time to time.

- Car(s) and telephone(s) will be provided at residence for official use. However, provision of these facilities will be subject to tax as per prevailing Income Tax rules. The Company shall bill Personal long distance calls on telephone to the said Managing Director.
- The contribution to Provident Fund will not be included as perquisites to the extent these are not taxable under the Income Tax Act, 1961.
- Leave: As per the rules of the Company, but not exceeding 21 working days per year. Unutilised leave can be carried forward and then encashed equivalent to Basic salary and as per rules of the Company in force from time to time.
- All Emoluments and Perquisites will be taxable as per the provisions of the Income Tax Act, 1961.
- Stock Options: The Whole Time Director will be granted stock options at sole discretion of the Company under the ESOP in quantities as determined by the Compensation Committee of the Board based upon the said Whole time Director's performance and the performance of the Company from time to time.

Notwithstanding anything contained hereinabove, wherein any financial year during the currency of this Agreement, the Company has no profits or inadequate profits, the remuneration payable to the Whole time Director as basic salary, perquisites and any other allowances shall be governed and be subject to ceilings provided under Section II of Part II (A) of Schedule XIII to the Companies Act, 1956.

The said Director shall report to the Chairman and Managing Director of the Company who shall empower him with such requisite powers (with authority to revoke and/or amend such powers) to enable the said Director to discharge his duties with full responsibility or the area of operations under his control. The said Director shall work under the superintendence, control and direction of the Chairman and Managing Director and through him, to the Board of Directors of the Company.

A copy of the aforesaid Agreement referred to in the Resolution at Item No.6 of the accompanying Notice, is available for inspection by any member of the Company at the Registered Office of the Company on any working day before the ensuing Annual General Meeting.

The Explanatory Statement together with the accompanying notice should be treated as an abstract of the terms of the Agreement and memorandum of concern or interest under Section 302 of the Companies Act, 1956.

The Directors commend the Resolution for the approval of the members.



COMPUAGE INFOCOM LTD.

None of the Directors except Mr. Bhavesh Mehta and Mr. Atul Mehta is interested or concerned in the said Resolution.

Item No. 7

The Board of Director at their Meeting held on 10th June, 2011 decided to alter the Articles of Association of the Company by altering the existing clause 114(b) of the Articles of Association of the Company by substituting the New Clause 114 (b) in place of Old Clause 114 (b) relating to the Affixture of Common Seal of the Company as reproduced herein below.

Old Clause 114(b).

The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board or one of its Committees and unless the Board otherwise determines every deed or other instruments to which the Seal is required to be affixed shall unless the same is executed by a duly constituted attorney for the Company, be signed by two directors at least in whose presence the Seal shall have been affixed, provided nevertheless that any instruments bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity in the affixture thereof.

New clause 114 (b).

The Seal shall not be affixed to any instrument except by the authority of a resolution of the Board unless the Board otherwise determines every deed or other instruments to which the Seal is required to be affixed shall unless the same is executed by a duly constituted attorney for the Company, be signed by any one director of the company and Company Secretary or any person authorized by the Board at least in whose presence the Seal shall have been affixed, provided nevertheless that any instruments bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity in the affixture thereof.

The Directors commend the Resolution for the approval of the members.

None of the Directors are interested or concerned in the said Resolution.

Item No. 8

The Ministry of Corporate Affairs ("MCA") has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by companies and has issued a circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 stating that the service of document by a company can be made through electronic mode.

Keeping in view the underlying theme and the circular issued by MCA, the Company propose to send documents like the Notice(s) calling the general meeting, Directors' report, Auditors' report and Explanatory Statement etc of the Company in electronic/ physical form and in this regard the Company intend to alter the Articles of Association of the Company by adding a additional clause no. 63 under the Head General Meeting



COMPUAGE INFOCOM LTD.

and numbering it as Clause 63 and accordingly changing the numbering of the all the Clauses in the Articles of Association of the Company or any other mean.

The Members are entitled to be furnished, free of cost, with a copy of the balance sheet of the company and all other documents required by law to be attached thereto including the profit and loss account and auditors' report, upon receipt of a requisition from the Shareholders any time by the Company

The Directors commend the Resolution for the approval of the members.

None of the Directors are interested or concerned in the said Resolution.

By Order of the Board of Directors
For Compuage Infocom Limited

Atul H.Mehta
Chairman & Managing Director

Place : Mumbai
Date : 10th June, 2011

Registered Office:
3, Dhuru Building,
329, Vithalbhai Patel Road,
Mumbai- 400 004.

**DIRECTOR'S REPORT**

Dear Shareholders,

The Board of Directors has pleasure in presenting the Audited Financial Statements for the year ended 31st March 2011.

FINANCIAL HIGHLIGHTS :

The highlights of the Financial Results are:

(Rs. In Lacs)

Particulars	Current Year 2010-11	Previous Year 2009-10
Sales & Other Income	137490.57	108849.36
Profit before Taxation & Depreciation	1409.58	1010.45
Less: Depreciation	117.69	55.17
Profit after depreciation	1291.89	955.28
Less: Provision for taxation	424.62	325.09
Fringe Benefit Tax	0.00	1.36
Profit after Tax Provision	867.27	628.83
Balance brought forward	1427.32	919.70
Amount available for Appropriation:	2294.59	1548.53
Proposed Dividend	103.60	103.60
Dividend Distribution Tax	17.21	17.61
Balance Carried to Balance Sheet	2173.78	1427.32

BUSINESS REVIEW:

The year gone by has been a good year with company closing on a profitable note. The company's revenue grew to Rs.137490.57 lacs registering a growth of 26.31% and consolidated revenue growing to Rs.141427.42 lacs, registering a growth of 26.14%.

The profit after tax grew to Rs.867.27 lacs, growing by 37.92% over the previous year. Consolidated profit after tax grew to Rs.895.51 lacs, growing by 55.18%.

The company has continued to strength its infrastructure, reach and product portfolio.

DIVIDEND:

Your Directors are pleased to recommend the payment of Dividend for the year ended 31st March 2011 at Rs. 2/- (Rupees Two only) per share (20 %) on face value of Rs.10/-, subject to the approval of members at the ensuing Annual General Meeting.

FUTURE OUTLOOK:

Future outlook of Compugame is very promising. It operates in growth oriented industry which is likely to grow by 20% per annum for the next few years. The company being small will be able to grow more than the IT industry's growth rate.

**SUBSIDIARY COMPANIES:**

The total number of subsidiaries of the Company as on March 31, 2011 is 3, which are as under:

- (1) Greenvision Technologies Pvt. Ltd.
- (2) ADIT E-commerce Pvt. Ltd.
- (3) Compugame Infocom (S) Pte. Ltd.

- (1) Greenvision Technologies Pvt. Ltd.

Greenvision Technologies Pvt. Ltd. was incorporated on March 19, 2008 with Compugame holding 52% of its Equity Share Capital and voting power. As on March 20, 2009 we acquired additional 24% of the Equity Share Capital of Greenvision. As at March 31, 2011, we hold 76% of the Equity Share Capital and voting power of Greenvision Technologies Pvt. Ltd.

Greenvision Technologies Pvt. Ltd. focuses on Power Solutions for the Enterprise Customers and sealed Maintenance free Batteries for the UPS segment. The Company is also exploring manufacturing of Batteries.

During the year Greenvision Technologies Pvt Ltd has achieved a turn over of Rs. 2269.04 lacs and has made a net profit before tax of Rs. 10.83 Lacs.

- (2) ADIT E-commerce Pvt. Ltd.

ADIT E-commerce Pvt. Ltd. was incorporated on May 17, 2008, we acquired 80% of the Equity in the Company on January 19,2010. The investment was made in the Company to take advantage of the growing online business.

- (3) Compugame Infocom (S) Pte. Ltd.

Compugame Infocom (S) Pte. Ltd. is our wholly owned subsidiary and was formed to expand our business operation in Singapore.

The Company has been granted exemption by the Ministry of Corporate Affairs from attaching to its Balance sheet, the Individual Annual Reports of its subsidiary Companies



vide its. General Circular No: 2 /2011 and General Circular No: 3/2011 dated Feb 8, 2011 and Feb 21, 2011 respectively. As per the terms of the Circular, a statement containing the brief financial details of the Companies Subsidiaries for the year ended March 31, 2011 is included in the Annual Report. The annual accounts of these subsidiaries and the related detailed information will be made available to any member of the Company/its subsidiaries seeking such information at any point of time and are also available for inspection by any member of the Company/its subsidiaries at the registered office of the Company. The annual accounts of the said subsidiaries will also be available for inspection, as above, at the Registered Offices of the respective subsidiary Companies.

INFORMATION TECHNOLOGY:

Compuge continues to upgrade its I.T. team and infrastructure and has a solid backbone to support the business.

INTERNAL AUDIT:

Compuge has further strengthened its internal audit team. This team monitors the entire business operations constantly from its centralized database in Mumbai. It reports directly to the Audit Committee headed by the Board of Director.

DIRECTORS:

Ms. Preeti Trivedi retires by rotation from the Board in the forthcoming Annual General Meeting and being eligible offers herself for reappointment at the said Annual General Meeting.

AUDITORS:

The Statutory Auditors of your Company, M/s.B.V.Dalal & Co., Chartered Accountants, retire at the conclusion of the forth coming Annual General Meeting and being eligible offer themselves for re-appointment. The company has received a letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1-B) of the Companies Act, 1956.

FIXED DEPOSIT:

The Company has accepted the Fixed Deposits and complied the provisions of Section 58A of the Companies Act, 1956.

DEPOSITORY SYSTEM:

The Company has entered into an agreement with the National Securities Depository Limited (NSDL) as well as the Central Depository Services (India) Limited (CDSL) to enable shareholders to hold shares in dematerialized form. The Company also offers simultaneous dematerialisation of the physical shares lodged for transfer.



STATUS OF DEMATERIALISATION OF SHARES:

NSDL and CDSL have allotted ISIN No. INE070C01029 for compulsorily Dematerialization of Shares.

DIRECTORS' RESPONSIBILITY STATEMENT:

As required under the provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors hereby confirm

- i) That in preparation of the Annual Accounts for the year ended 31st March, 2011, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- ii) That the directors had selected such accounting policies and applied consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2011 and the profit of the Company for the year under review;
- iii) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That the annual accounts for the year ended 31st March, 2011 have been prepared on a 'going concern basis'.

CORPORATE GOVERNANCE:

A separate report on Corporate Governance is produced as a part of the Annual Report along with the Auditor's Statement on its compliance.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars relating to conservation of energy and techniques are not relevant to the Company since the Company is not engaged in any manufacturing activities and hence there is not much scope and concern to this matter for the company to take any meaningful action.

Earning in Foreign Exchange was Rs. 77.52 lacs

The payment of foreign exchange outgoes are as under

1. Valuation of Imports calculated on C.I.F. basis for one year period ended 31st March, 2011 is RS. 50637.85 Lacs. (Rs. 35631.27 Lacs in previous year)

2. Expenditure in Foreign currency: (Rs.in Lacs)	(Current Year)	(Previous Year)
Traveling	NIL	6.86
Interest	1.56	1.72